

ACTION

AGENDA ITEM: Funding the Library of California

ISSUE TO COME BEFORE THE BOARD AT THIS MEETING: Consider Library of California Budget Request for 2001/02.

RECOMMENDED MOTION FOR CONSIDERATION BY THE BOARD: I

move that the Library of California Board approve development of a Budget Change Proposal for up to \$23 million for additional FY 2001/02 Library of California funds.

FISCAL IMPACT:

The FY 2001/02 Budget Change Proposal provides FOR ongoing funding for regional and statewide Library of California programs. Should this augmentation be approved, it will support LoC programs and services beyond the original appropriation level provided in the Act. Should this augmentation not be approved, the original appropriation will be used to fund LoC programs and services at the direction of the Board, but at significantly lower levels than needed.

BACKGROUND:

When the Library of California Act was passed in 1998, it came with a \$5 million appropriation for planning, network development, and statewide coordination. In June 1999, the Board authorized the preparation of a 2000/01 budget request for up to \$75 million. The Board reduced this amount to \$30 million at their August 1999 meeting. The 2000/01 budget request was not recommended for funding in the January 2000 budget nor in the spring budget revision. Funding continues for FY 2000/01 at the level of the original appropriation.

Current annual funding available for Local Assistance is \$3,988,000. Under the original legislation, Local Assistance funding categories were limited to:

- a. Telecommunications infrastructure to support up to 1,000 libraries, including, but not limited to, the costs of linking systems and installing regional servers.
- b. Statewide information database licenses.
- c. Reimbursement for interlibrary loans and direct loans pursuant to subdivisions (a) and (c) of Section 18844 of the Education Code.

- d. Regional library network development.
- e. Support for statewide coordination.

To determine whether the Board had authority to change the 2000/01 LoC program beyond the initial funding categories staff consulted with Paul Smith, State Library Legal Counsel, and Cameron Robertson, Deputy State Librarian. It is their opinion that the Board can designate other program categories for these funds, but that the Board should advise the Department of Finance of their decision to do so prior to authorizing expenditures for different priorities.

At the Board's Committee of the Whole meeting in June 2000, there was considerable discussion regarding priorities for a potential BCP. The Board asked staff to survey the library community to confirm that the Board's perceived priorities were consistent with those held by the library community. This survey was conducted during July 2000, and the results are included in this report in the Regional Library Network Development Report, Document 15. Generally, field results support the priorities identified by the Board and subsequently included in the 2001/02 BCP.

In addition to the field information gathered, staff took into consideration the advice from the Department of Finance on the Governor's budget priorities for 2001/02 requests. Of particular note are the following considerations:

- The Governor's priority for funding continues to be education. If additional funds are available above what is needed for education, they should be designated primarily for one-time requests.
- New position requests must be compelling and unequivocally justified. Redirection of positions is encouraged in lieu of requesting new positions.

If the Library of California program is to be funded in 2001/02, it will be necessary to focus on supporting the Governor's education goals. While the LoC budget requests in the past have emphasized programming equitably for all types of libraries, there is now a compelling reason to provide some support, directly and obviously, in support of educational needs. For this reason, staff is requesting funding for a licensed database that will support educational needs for both school and public libraries, in addition to the other general programs previously recommended for funding support.

BCP Request:

Staff is proposing that the Library of California Board requests support for the following programs in 2001/2002, for a total request of \$23 million:

- *Online database support for K-12* educational needs for both school and public libraries.

- ***Implementation of Regionally defined plans of service*** in each Regional Library Network which meet the specific needs of each region's library users, and which provide services directly to network member libraries.
- ***Interlibrary Loan*** compensation to reimburse libraries for sharing their materials with other libraries.
- ***Delivery*** support to assist libraries to move materials to and from the patrons who request and use them.
- ***Reference service*** support at the statewide level to provide additional resources to all libraries beyond those locally available.
- ***Telecommunications services*** which build upon the infrastructure developed with 1998/99 and 1999/00 funds

RELATED ISSUES TO COME BEFORE THE BOARD IN THE FUTURE:

1. Consider 2000/01 budget for current programs and services at the November 2000 Board meeting.
2. Consider models for programs to be funded through this BCP.
3. Consider budget for FY 2001/02 in June 2001.
4. Discuss and consider budget request for 2002/03 in April and June 2001.

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